



State of Indiana Regional Information Sessions Medicaid in Schools *Audit Review Process*

PRESENTER:
Audit Review –Shelley Rania



Introduction

- Background
- Current Role with CMS

CMS Session Objectives

- Learn about audit requirements affecting the provision of SBS

Audits and Reviews

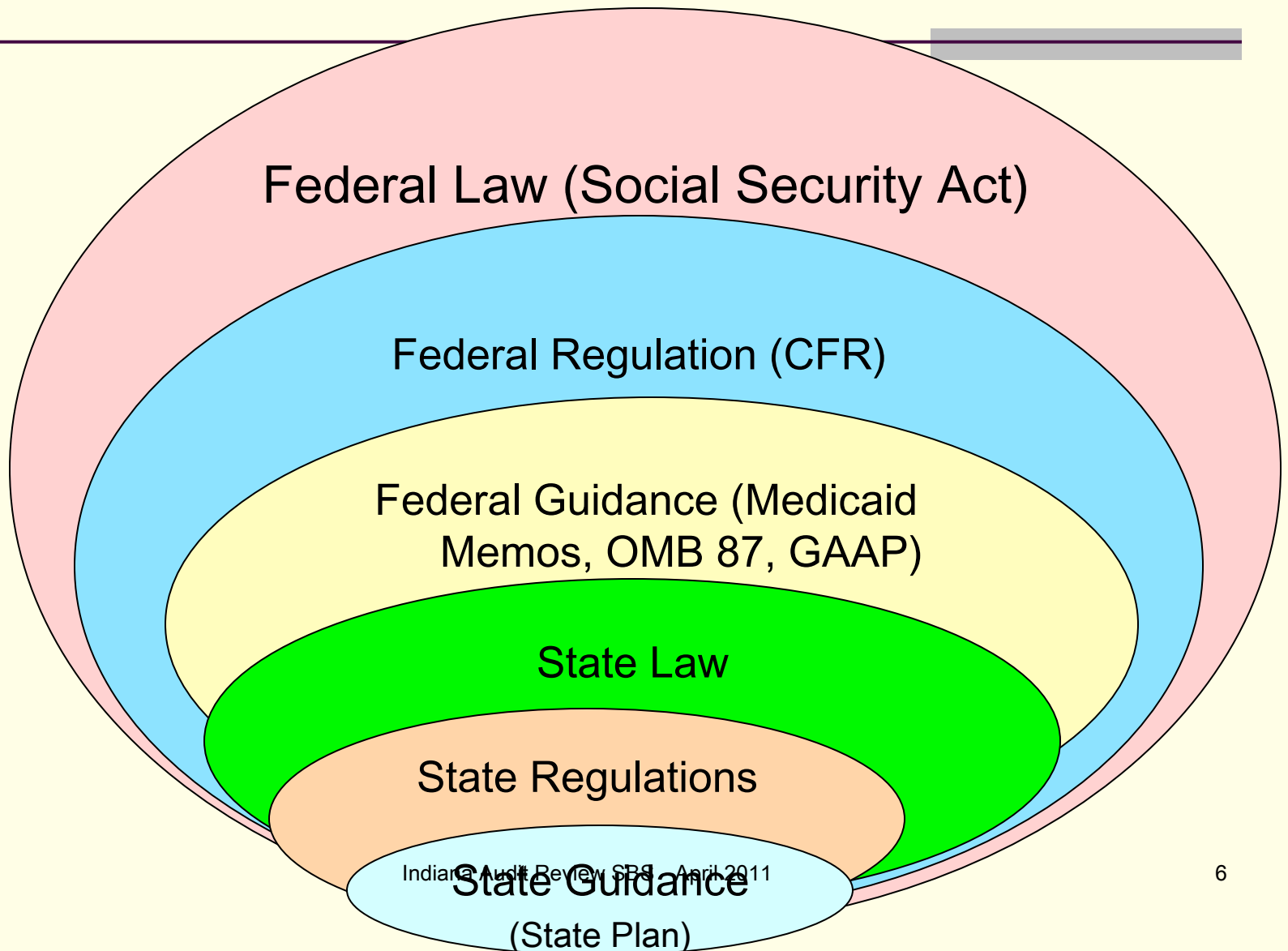
Who Performs Audits and Reviews Related to Medicaid Payments?

- CMS
- Internal Auditors
- GAO & OIG
- State Medicaid, Education or Legislative Auditors
- State Public Auditors
- State's Attorney General
Medicaid Fraud Control Unit

Reasons Audits Are Initiated

- Review of Medicaid expenditures reveals a significant increase or decrease in school-based expenditures;
- Errors or issues noted during a CMS 64 quarterly review;
- Major changes in legislation or regulation;
- Hotline calls from providers or the public; and,
- Internal or State auditor reports identify significant problems, errors or issues related to payment.

Reference Materials for Audit



General Preparation for School Districts

- Prepare for audit in advance
- Self-monitor as customary practice
- Assess strength & weaknesses
 - Proof of staff credentials
 - Availability of service plans
 - Access to service notes/log documentation
 - Maintenance of service authorizations

Preparation (cont.)

- Availability of transportation documentation /ridership linked to medical service provided on the same day
- Demonstration of match
- Know the work performed by vendors behind the scenes for the district
- Identify vulnerabilities and implement remedy
- Secure support and resources as necessary

What are source documents?

- Attendance Records
- Transportation Logs
- Medical Records
- Payroll Records and Contracts
- Prior Authorizations
- Clinical notes of the service performed
- Service Claims

Minimum Documentation

Each claim must include:

- Date of Service
- Name of Recipient
- Medicaid Identification Number
- Name of Provider Agency
- Person Providing the Service
- Nature, Extent or Units of Service
- Place of Service

Common Audit/Review Procedures

- Ensure that prior authorization, if required, was obtained prior to the service being performed (or as per the State's requirements).
- Ensure there is a current IEP/IFSP for each recipient receiving service and the medical service is documented in the IEP/IFSP.
- Ensure the date of service corresponds to the IEP/IFSP period.
- Verify that the provider of medical services is appropriately certified or licensed for the services performed.

Common Audit/Review Procedures (Cont.)

- Verify that the rate paid for the claim equals the State Plan rate.
- Verify that the child receiving services attended school on the date of service.
- Review the clinical notes for the date of service to ascertain exactly what service was performed.
- Verify that the services provided on the date of service are the services that should be provided per the description in the State Plan.
- If transportation was provided, verify that the child was in attendance on the day claimed and that a medical service was performed.

School Documentation

The school is given a list of SBS medical claims to be reviewed as part of the sample. For each claim in the sample, the school should provide:

1. A copy of the claim
2. Enrollee's medical record
3. Individualized Education Program (IEP) or Individual Family Service Plan (IFSP)
4. School attendance records for the date of service on the claim
5. Prescriptions/referral for IEP services
6. Documentation of the service performed on the date of service including clinical notes signed and dated by provider
7. Documentation regarding where the service was provided and who provided the service

Additional Documentation Required

- Medical provider qualifications associated with licensing and certification
- Payroll records associated with school personnel providing services
- Copies of contracts with medical providers

Availability and Maintenance of Documentation

- The State must determine that the actual provider of each covered service meets all Federal and State qualification requirements pursuant to 42 C.F.R. 431.107.
- If the school is enrolled as a clinic or other provider type, it must execute an agreement/contract with the Medicaid Program, which is generally referred to as a “provider agreement”.
- The provider agreement obligates the school district to “keep any records necessary to disclose the extent of services the provider furnishes to recipients”.
- Section 1902 (a) of the Act also requires sufficient documentation to be maintained in support of a claim.

Documentation Reviewed for State Medicaid and Education Agency

- Copies of the State Plan which correspond to the dates of review
- The rate schedule paid for the period under review, including all work papers used to calculate the finalized rates
- Description of the State's methodology for establishing final rates
- A copy of the SBS procedure codes for the period under review
- A narrative or flow chart and/or crosswalk detailing the funding and expenditures of SBS
- Copies of the interagency agreement between the State agencies
- Contracts between the State/LEA and any consultants

School Documentation

- When pulling documentation, double check the date of service of the claim to the specific data being pulled.
- You may have IEPs for several years in the child's school folder. If the claim's "date of service" is June 30, 2010, then make sure you pull the IEP that covers that date of service.
- Remember that "date of payment" is different than "date of service".

What Issues Are Noted in Audits/Reviews

- Lack of Source Documentation
- Payment is not in compliance with State Plan
- Services are not approved for the period of the review
- Inappropriate coding and/or lack of oversight

What happens if an audit identifies problems?

- If a State is out of compliance with CMS regulations or its Medicaid State Plan, CMS may withhold or recover Federal funds.
- If claims for Federal matching funds cannot be supported by appropriate SBS provider records, the State may require school providers to repay reimbursements made for the undocumented or unallowable school-based services.